

JULY 21, 1966

SUMMARY OF POLICIES AND PROCEDURES FOR THE DISPOSITION
OF PARCELS FOR THE CONSTRUCTION OF SALES HOUSING IN THE
CHARLESTOWN URBAN RENEWAL AREA

I. PARCELS INCLUDED

A description of those parcels covered by the policies
and procedures.

II. REQUIREMENTS

- A. Occupancy - Right of first refusal given to relocatees.
- B. Design - Design kit prepared for each set of parcels
offered for development to be controlling.
- C. Density - Maximum number of units to be provided on
each site.
- D. Zoning - Exceptions to Zoning Code to be applied for
if necessary to implement design controls.
- E. Design Review - Established procedure of the Authority
to be followed.
- F. Land Price - Established procedure of the Authority to
be followed.
- G. Legal and Financial Ability - Form of organization and
source of financial commitments to be given.
- H. Capacity to Assemble and Develop a Number of Sites -
This capacity to be demonstrated.
- I. Resale Price and Time Schedule - Maximum resale price
and a resale time schedule to be prescribed.

III. SUBMISSIONS AND REVIEW

- A. Public Advertisement - Availability of sites to be
advertised from time to time.
- B. Submissions of Letters of Further Interest -
Information regarding number of sites and resale price
range, "Redeveloper's Statement for Public Disclosure"
and "Redeveloper's Statement of Qualifications and
Financial Responsibility" to be submitted.

- C. Negotiation Period - Design controls explained in order to insure compliance therewith; needs of relocatees, characteristics of the sites, etc., described and explained.
- D. Submission of Letter of Intent - Formal commitment from developers may be requested by Development Administrator.
- E. Approval of Proposal by Authority - After public disclosure, proposal will be acted upon by the Authority.
- F. Execution of LDA - Customary form of Land Disposition Agreement to be used.

POLICIES AND PROCEDURES FOR THE DISPOSITION OF PARCELS FOR THE
CONSTRUCTION OF SALES HOUSING IN THE CHARLESTOWN URBAN RENEWAL AREA

I. Parcels Included

Under the Charlestown Urban Renewal Plan, "R" parcels are designated for residential use and "X" parcels, for residential use or for uses accessory thereto.

Sites R-1, R-2 and R-3 are large housing sites and are intended to be developed for low-moderate rental apartments (as part of the 221(d)(3) program) under the policies and practices of the Authority for such program.

Sites R-4 through R-54, inclusive, are smaller housing sites and are to be developed for new housing in accordance with these policies and procedures. If the Authority finds that housing is feasible on the "X" sites, they also will be developed for housing in accordance with these policies and procedures.

In addition, other sites appropriate for residential development may be acquired under Section 402* upon the failure of the owner thereof to bring the existing structures up to City and State codes. If the Authority finds that further attempts to rehabilitate the existing structures will be unsuccessful and new housing is feasible on these sites, they also may be developed for new housing and the development thereof will be subject to these policies and procedures.

II. Requirements

A. Occupancy

In connection with the residential development of the sites subject to these policies and procedures, it is the objective of the Authority to have new homes built to provide opportunities for owner-occupancy (page 38).

* All page and section references herein are to the Charlestown Urban Renewal Plan that was approved by the Mayor on June 10, 1965 with the authorization of the City Council. Copies of the Plan are filed with the Suffolk Registry of Deeds and the Clerk of the City of Boston.

It is also an objective of the Authority that the new homes developed on these sites first be offered to individuals and families who are to be relocated on account of actions taken by the Authority in connection with the Urban Renewal Project (page 12).

There will be imposed a requirement on the part of a developer offering any completed units for sale to grant a right of first refusal to persons (whose names will be supplied by the Authority) who are required to move on account of actions taken by the Authority under the Charlestown Urban Renewal Plan and who desire to relocate and are in a position to purchase at the time that the units come on the market. Such right shall be exercisable within thirty (30) days from the time of the initial offer or any subsequent offer. A subsequent offer is one containing a different purchase price or a substantial change in any of the conditions of sale from that found in the most recent prior offer.

B. Design

The design of new housing shall be consistent with the land use controls and building requirements of the Plan and the special requirements established by the design staff of the Authority to accomplish the objectives of the Plan. (See the appropriate Design Kit for a complete description of the Plan controls and special requirements).

C. Density

It is the objective of the Authority to provide for the maximum number of dwelling units on each site subject to applicable height limitations and design considerations respecting access, room size, etc.

D. Zoning

The Boston Zoning Code applies to all proposed new residential construction. However, it is the objective of the Authority that if the existing zoning controls are inconsistent with the land use controls and building requirements of the Plan or the special requirements established by the design staff that amendments thereto or variances therefrom will be sought in order to permit construction to proceed in accordance with the Plan.

E. Design Review

All preliminary and final plans prepared by the developer will be submitted to the architectural staff of the Authority for design review. This review is made in order to insure consistency between the proposed plans of the developer and the land use controls and building requirements of the Plan and the special requirements of the Authority. Under all land disposition agreements that will be entered into by the Authority and any developer, a procedure is established whereby submissions are made by the developer and if such submissions are unsatisfactory, changes will be required before a conveyance of the property will be made to the developer.

F. Land Price

The purchase price of land sold to a developer for the construction of new housing will equal the fair value of the property for the proposed uses in accordance with the aforementioned land use and building requirements and other applicable special requirements imposed by the Authority, as it determines in accordance with two independent appraisals and as approved by the Federal Department of Housing and Urban Development.

G. Legal and Financial Ability

Developers will be required to specify the form of entity that will take title to the land in question, do the construction work, and sell the completed units. Developers will be required to demonstrate that they have authority to carry out these activities. Developers will also be required to show that they have the financial resources necessary to carry out the proposed development. This includes equity funds and mortgage commitments.

H. Capacity to Assemble and Develop a Number of Sites

In connection with those sites that are large enough to include a number of dwelling units, developers will be required to demonstrate ability to execute construction projects of the size in question and to market the number of units in question.

I. Resale Price and Time Schedule

Developers will be required to sell each dwelling structure at a price not exceeding a stated maximum price level and in accordance with a time schedule that is consistent with the Project schedule of the Authority.

III. Submissions and Review

A. Public Advertisement

The availability of sites for new home construction was advertised on December 22, 1965. As additional sites become available for construction, the Development Administrator will notify by letter the developers who have indicated interest in constructing new homes in Charlestown. If at any time there is an insufficient number of developers who have indicated such an interest, the Development Administrator will request the Authority to re-advertise the availability of sites for new home construction.

B. Submission of Letter of Further Interest

All developers who have submitted letters stating their interest in constructing new homes will be sent a letter, substantially in the form of the one attached as Exhibit "A", asking for additional information to be provided in the form of a letter of further interest. This additional information will include a general description of the units that the developer will be prepared to build on all or any of the sites, estimated sales price for each type of unit, and completed HUD Form H-6004, "Redeveloper's Statement for Public Disclosure" and "Statement of Qualifications and Financial Responsibility."

C. Negotiation Period

After the receipt of the letter (Exhibit "A") from the Authority requesting additional information, the developer, if he so desires, will be afforded the opportunity to consult with the staff members of the Authority respecting the Authority's design objectives, housing needs of relocatees, time schedule, and other project data. If desired by the developer, members of the staff of the Authority will show interested developers the sites to be made available and will explain proposed design treatment of such sites. A Developers' Package including a map showing the sites in question and a Design Kit setting forth the special physical features of the sites, the provisions of the Plan relating thereto, and the special requirements considered necessary to accomplish the objectives of the Plan will be sent to all persons requesting it.

D. Submission of Letter of Intent

After the Development Administrator and staff of the Authority have reviewed and evaluated the general proposals and materials submitted in the letter of further interest, the Development Administrator may recommend to the Authority that the necessary public disclosure of the name of the developer, together with the names of its officers and investors, be made pursuant to Federal regulations and that the developer be asked to submit a letter of intent and preliminary plans for the proposed development.

The letter of intent that is requested of any developer shall contain commitments respecting numbers of sites and dwelling units, resale price, and conformance with the above requirements. Pursuant to this letter of intent, the developer will submit within a specified time period preliminary plans and specifications. The letter of intent together with the plans and specifications will constitute a detailed proposal hereunder. An example of a letter of intent is attached thereto as Exhibit "B".

E. Approval of Proposal by Authority

If the detailed proposal is found to meet the requirements herein, the Development Administrator may recommend to the Authority that a notice be published to the effect that the proposal is available for public examination at the offices of the Authority and will be acted upon by the Authority after a stated date. The Development Administrator will make recommendations to the Authority respecting such proposal. The proposal will then be considered, and action taken thereon, by the Authority.

F. Execution of Land Disposition Agreement

Following acceptance of the proposal, a land disposition agreement following the customary form used by the Authority in connection with residential dispositions will be prepared. The additional requirements set forth in the letter of intent will be included. Other matters pertaining to the proposal such as controls that will be required under the Plan as well as a legal description of the property and a description of any easement or restriction pertaining thereto will be included in the land disposition agreement.

The land disposition agreement will include a time schedule for the submission for final approval of the plans and specifications, the delivery of the deed to the property, and the commencement and completion of construction.

Once the land disposition agreement is in satisfactory form, the Development Administrator will recommend to the Authority that a notice be published to the effect that the agreement is available for public examination at the offices of the Authority and will be acted upon by the Authority after a stated date. The Development Administrator will then submit the agreement to the Authority for approval and request that he be authorized to execute it.

In some cases, the Development Administrator will not recommend that the Authority take any action respecting a detailed proposal until a land disposition agreement is completed and ready for submission to the Authority.

Upon approval of the land disposition agreement by the Authority, it will be executed. Pursuant to the terms of such agreement, the developer will submit for approval final plans and specifications and the Authority will convey the property to the developer.

JULY 21, 1966

EXHIBIT "A"

("Policies and Procedures for the Disposition of Parcels for the Construction of Sales Housing in the Charlestown Urban Renewal Area")

TO: Interested Developers

FROM: Development Administrator,
Boston Redevelopment Authority

SUBJECT: Invitation to Submit a Letter of
Further Interest in Constructing
New Housing in Charlestown

Dear

You have indicated an interest in constructing housing on sites that become available in the Charlestown Urban Renewal Area.

Sites
will become available next under the Charlestown Urban Renewal Program.

Attached is a summary description of the housing types and price ranges in which interest has been expressed, a Developer's Package including a Design Kit, a copy of the Authority's "Policies and Procedures for the Disposition of Parcels for the Construction of Sales Housing in the Charlestown Urban Renewal Area", and a series of maps showing site characteristics. (Notations of development characteristics such as number of dwelling units and type of construction should be considered as illustrative guidelines only.)

We would now like to ascertain your further interest in participating in this program, and in light of the information provided would be pleased to receive from you the following information:

- (1) A general description of units you would be prepared to build on all or any of the sites.
- (2) Estimated sales price for each type of unit proposed.
- (3) Completed HHFA Form, H-6004, "Redevelopers Statement for Public Disclosure" and Statement of Qualifications and Financial Responsibility".
(Copy enclosed)

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- (4) A description of residential construction previously completed and presently underway.
- (5) Other information you may desire to provide.

We intend to review these materials beginning We expect that interested parties will have responded by then, and that those who do not respond no longer wish to be considered as prospective developers of these sites. We will acknowledge proposals and other information submitted and review them with a view to the selection of the developer or developers pursuant to the attached "Policies and Procedures for the Disposition of Parcels for the Construction of Sales Housing in the Charlestown Urban Renewal Area", dated July 21, 1966.

Sincerely yours,

Enclosures

July 21, 1966

EXHIBIT "B"

("POLICIES AND PROCEDURES FOR THE DISPOSITION OF PARCELS FOR THE CONSTRUCTION OF SALES HOUSING IN THE CHARLESTOWN URBAN RENEWAL AREA")

Mr. Edward J. Logue
Development Administrator
Boston Redevelopment Authority
City Hall Annex
Boston, Massachusetts

Dear Mr. Logue:

Reference is made to the statement of interest contained in our letter to you of _____ for the development of sites _____ as shown in the Charlestown Urban Renewal Plan.

We have discussed the matter of building town house units on these sites with members of the Authority's staff, to whom we have submitted preliminary data and architectural studies of typical units prepared by our architects, _____. We have reviewed the land use controls and building requirements of the Plan and the special requirements of the Authority (as set forth in the Design Kit applicable to the above sites).

We have studied the "Policies and Procedures for the Disposition of Parcels for the Construction of Sales Housing in the Charlestown Urban Renewal Area" dated July 21, 1966. Based on such review and study, and on the discussions adverted to, we feel that our proposal to do such building will be consistent with the design requirements and policies of the Authority.

Accordingly, we will, if requested to do so, submit within thirty (30) days to the Authority a proposal whereby _____ as principals, consisting of _____ would, as redeveloper, acquire from the Authority the above sites upon the following terms and conditions:

1. The said redeveloper will cause to be constructed on said sites, in accordance with the plans and specifications to be approved from time to time by the Authority, the following:

On Parcel _____, a minimum of _____ units
(_____ three-bedrooms, and _____ four-bedrooms)
at a maximum resale price of \$ _____ per three-
bedroom unit and \$ _____ per four-bedroom unit.

On Parcel _____, etc.

2. As part of such proposal, the redeveloper would submit the following:

- (a) "Pre-Preliminary Plans" consistent with the requirements of the Design Kit including the following:
 - (1) Site Plan of an appropriate scale showing general relationships of buildings, open space and roads, walks and parking areas. Adjacent existing and proposed roads and structures shall be shown.
 - (2) Site Sections at an appropriate scale showing height relationships in addition to those shown above.
 - (3) Building Plans, Elevations and Sections sufficient to indicate general architectural character, structural system, and materials proposed.
- (b) Statement of proposal including: Type of unit (row house, etc.); distribution of different size units; number of parking spaces; structural system; and principal building materials; surface treatment, and kitchen and bathroom fixtures.
- (c) Proposed time schedule for the submission of Final Preliminary Plans and Final Plans and Specifications and for the commencement and completion of construction.
- (d) Statement of estimated costs of the proposed construction, a statement of the manner in which the redeveloper proposes to meet the same and evidence of the redeveloper's ability to meet those needs, including a commitment from a bank or other reliable mortgagee.

3. Following review and approval by the Authority of the material submitted as suggested in paragraph 2 above, and any other supplementary material that may be required, the redeveloper will enter into a Land Disposition Agreement with the Authority, substantially in the form usually employed by the Authority for other residential developments in urban renewal projects, subject to necessary Federal, state, municipal, and Authority approvals in accordance with applicable laws and regulations, and providing, among other things, for:

- (a) A suitable deposit, in the form of bonds, cash, or an irrevocable letter of credit, delivered to the Authority upon execution of the Agreement, in an amount equal to \$, subject to HUD concurrence, as security for performance of the Agreement by the redeveloper.
- (b) A purchase price equal to \$ representing the fair value of the property for the proposed uses in accordance with the land use controls and building requirements of the Plan and other special requirements of the Authority in accordance with the two independent appraisals and approved by HUD pursuant to the usual procedure employed by the Authority and HUD.
- (c) A timetable consistent with that submitted under sub paragraph 2 (c) above. The deeds to the above parcels will be delivered after the Authority approves the Final Plans and Specifications.
- (d) Maximum resale prices as prescribed under paragraph one.
- (e) A requirement on the part of the redeveloper upon offering any units when built for sale to grant a right of first refusal to persons (whose names will be supplied by the Authority) who are required to move on account of actions taken by the Authority under the Plan and who desire to relocate and are in a position to purchase at the time the units come on the market. Such right shall be exercisable within thirty (30) days from the time of the initial offer or any subsequent offer. A subsequent offer is one containing a different purchase price or a substantial change in any of the conditions of sale from that found in the most recent prior offer.

Inasmuch as we are ready to move ahead with the preparation of plans for the new buildings, we would like to receive your response to this letter as soon as possible.

Very truly yours,

MEMORANDUM

DATE: July 21, 1966

TO: Boston Redevelopment Authority

FROM: Edward J. Logue, Development Administrator

SUBJECT: ADOPTION OF POLICIES AND PROCEDURES FOR THE
DISPOSITION OF PARCELS FOR THE CONSTRUCTION OF
SALES HOUSING IN THE CHARLESTOWN URBAN RENEWAL
AREA

The staff of the Charlestown Project has been engaged in a study to determine the best method to dispose of sites for the construction of sales housing to accomplish:

- (a) the objective of the Urban Renewal Plan to provide housing for owner-occupancy; and
- (b) the objective of the Authority to assure that those persons who will be required to move on account of actions taken by the Authority pursuant to the Urban Renewal Plan will be given priority.

Forty-seven families, including 14 who will be required to relocate, who responded to the Authority's advertisement of December 22, 1965, expressed an interest in purchasing the following size homes at the price range indicated:

- 1. 2 two-bedroom homes in the price range of \$11-19,000.
- 2. 22 three-bedroom homes in the price range of \$10-20,000.
- 3. 20 four-bedroom homes in the price range of \$12-22,000.
- 4. 3 five-bedroom homes in the price range of \$14-18,000.

These prospective homeowners for the most part are able to purchase housing in the price range desired. However, of those interviewed, all relocatees and, with few exceptions, all others, were not prepared or able to look for, or obtain, the services of an architect or a builder. Instead, they rely on the Authority to make these arrangements and are interested only in buying a completed house.

Furthermore, the sites that are available under the Plan will generally accommodate several units, ranging from two to thirty. Attached or semi-detached housing will permit maximum utilization of these sites consistent with the requirements of the Plan.

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Therefore, the multiple units on each site must be designed and built by one developer. Also, to achieve economies of construction, development by one developer of several sites simultaneously will be the optimum approach.

The best way to build such housing is to select experienced developers with the capacity to build and finance construction of several units on one or more sites for resale to meet the needs of the prospective homeowners. The attached policies and procedures establishes a method for accomplishing this.

The developers will be required under the attached policies and procedures to sell the new homes at amounts not exceeding specified maximum resale prices with priority to relocatees who have expressed interest in purchasing a new home and who at the time the units go on sale have the financial capability to buy them.

To carry out the Charlestown new homes program, I recommend that the attached policies and procedures be adopted.

An appropriate vote is attached.

